Why working with one of the world's most ethical companies matters



Think of the companies you work with that have your trust. Their employees typically have a longer tenure. They get back to you with efficiency and competence, and they are pleasant to work with because they feel valued. They are incentivized to give excellent service, because their company allocates resources to make it a great place to work. Your representative stands by the company's products and services, and you both know you're supported by a corporate philosophy that tells workers to do the right thing.

When you place your trust in a company that will provide products and services to your clients, that means your own reputation is at risk. A company's ethics will reveal much when you're deciding *where* to place that trust.

Ethical company, successful company

It would be easy to think that companies with a strong ethical focus do worse financially. After all, it costs money to properly train employees, to accommodate clients' needs and to put clients first. But actually, the opposite is true: Ethisphere, an organization supporting companies in building sustainable and ethical businesses, found that the stock prices of publicly traded companies on <u>its list of most ethical companies</u> outperformed the large cap sector by 7.8 percentage points over a five-year period.¹

Encouraging inclusion and diversity is one way that ethical companies succeed, and a crucial one: A strong business case for ethnic diversity is also consistent over time, with a 39% increased likelihood of out performance for those in the top quartile of ethnic representation versus the bottom quartile.² But there are other characteristics ethical companies have in common, too, according to Ethisphere Chief Executive Officer Erica Salmon Byrne. "Integrity-driven companies outperform financially, create talent-rich work environments and build trust."

Establishing an ethical company

Designing an ethical company is a conscious and deliberate move. Changing the focus from legal compliance to ethical compliance is a subtle but powerful shift in a company's dynamics and messaging. It encourages employees to consider whether an action is "right," not merely whether it is legal. It also paves the way for employee incentives to align with the company's ethical mission, such as allowing high performers to choose rewards for their colleagues or to select a nonprofit to receive a company donation.

To truly be upheld by all, a company's values need to be clearly communicated to everyone within the organization, and they need to be more than a statement. They must be the foundation of any company strategy or program, which always keeps those values top of mind — and top of practice.



Aflac, which has a 19-year streak on Ethisphere's annual list of the World's Most Ethical Companies,³ was built on just that. It's called "The Aflac Way," a set of tenets centered on doing the right thing. It was written to reflect the sentiment of the company's founders more than half a century ago and it is as relevant today as it was at its inception. New employees even receive a copy of "The Aflac Way" when they join the team.

The Aflac Way shows in the culture, and it's visible to customers and brokers, too. It drives the customer service philosophy, for example, compelling Aflac to receive, process, approve and disburse payment for eligible claims in as short a time as possible. According to Dan Amos, Aflac chairman and CEO, "We know that being an industry leader is not enough. We must adhere to core values that build the trust of consumers, investors, our employees and our valued sales teams, which we have done for nearly 70 years."

"Congratulations to Aflac for achieving recognition as one of the World's Most Ethical Companies[®]. Behind this honor is a true dedication and a commitment to advancing business integrity. This approach is good for business — employees and other stakeholders value companies that prioritize the kinds of practices we measure with our process," said Erica Salmon Byrne, Ethisphere's Chief Strategy Officer and Executive Chair.

Aflac is the only insurance company in the world recognized on Ethisphere's list since its inception in 2007.³

But you don't need to see the accolades to understand the principles and work that got Aflac there: a devotion to helping people and their communities, all by just doing their jobs with care, expertise and integrity. Consider it The Aflac Way.

¹ Ethisphere. "Ethisphere Announces the 2025 Worls's Most Ethical Companies." Published 2025. <u>Accessed 4.8.25</u>.

² McKinsey & Company. " Diversity matters even more: The case for holistic impact. Published 12.5.23. <u>Accessed 4.8.25</u>.

³ "Aflac is a World's Most Ethical Company for 19th year in a row." Published 3.11.25. <u>Accessed 4.8.25</u>.

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